

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6320**

**BILL NUMBER:** HB 1066

**NOTE PREPARED:** Dec 6, 2011

**BILL AMENDED:**

**SUBJECT:** Ordinance Violation Courts.

**FIRST AUTHOR:** Rep. Borders

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill has the following provisions:

- A. It permits a city, town, or county (unit) to establish an ordinance violation court to adjudicate ordinance or code violations committed within the unit.
- B. It establishes the powers and duties of the court, and provides that the only court fee that may be collected by the ordinance violation court is an ordinance violation fee, which may not exceed \$100.
- C. It specifies that the fee must be deposited in the general fund of the unit.

**Effective Date:** July 1, 2012.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** For each case filed in this new court instead of a trial court or city or town court, the state General Fund would lose either \$65.50 or \$76 from five fees that would no longer be collected. The lost revenue would be if fewer cases are filed in trial or city or town courts.

In addition, the Automated Record Keeping Fee of \$7 would not be paid. This fee is deposited in the State User Fee Fund.

	<b>Trial Court</b>	<b>City or Town Court</b>
Ordinance Violations Fee	\$49.00	\$38.50
Judicial Salaries Fee	\$18.00	\$18.00
Public Defense Administration	\$3.00	\$3.00
Court Administration Fee	\$5.00	\$5.00
Judicial Insurance Adjustment Fee	\$1.00	\$1.00
<b>Total General Fund Revenue Loss</b>	<b>\$76.00</b>	<b>\$65.50</b>
Automated Record Keeping Fee Loss	<b>\$7.00</b>	<b>\$7.00</b>

The *Indiana Judicial Report* shows that the number of ordinance violation cases disposed in city and town courts has grown at a faster rate than in Indiana's trial courts between 2004 and 2008.

<b>Local Ordinance Violations Disposed in:</b>								
	2004	2005	2006	2007	2008	2009	2010	Pct. Change
Trial Courts	54,054	51,111	63,950	60,481	56,435	67,936	51,221	-0.7%
City & Town Courts	32,899	31,852	35,397	32,183	37,465	43,210	50,861	7.8%
	86,953	82,963	99,347	92,664	93,900	111,146	102,082	2.5%

**Explanation of Local Expenditures:** Either a county or city or town (referred to in statute as municipal) council would have the power to establish an ordinance violations court. If a court is established, added costs would include:

- A seal to stamp a distinct impression of words and letters on paper.
- Salaries for a judge, clerk, and bailiff.
- Access to a jail in case the judge holds a person in contempt.

The new court would be required to comply with any reporting requests that the Division of State Court Administration makes.

**Background** – The New Castle City Court had only ordinance violations cases filed in its court in both 2009 and 2010, according to the *Indiana Judicial Report*. The court reported a total cost of \$29,161 and disposed of 1,097 ordinance violations cases in CY 2010.

<b>Personnel</b>	<b>Other</b>	<b>Capital Outlays</b>	<b>Total Expense</b>
\$22,100	\$4,355	\$2,706	\$29,161

**Explanation of Local Revenues:** The new ordinance violation court may assess an ordinance violation fee of a maximum \$100. Depending on whether a municipality or county establishes the court, the ordinance

violation fee would be deposited in the general fund of that unit of government. Local units of government would retain the entire ordinance violations fee (up to \$100) rather than a portion of the court fee that is split between the state and the local unit of government (\$18.90 in the case of a county court or \$2.10 for a town court).

**State Agencies Affected:** Division of State Court Administration, Indiana Supreme Court.

**Local Agencies Affected:** Municipal and county councils.

**Information Sources:** Division of State Court Administration.

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